

September 2000

Op-Ed-Opinions and Editorials-Shell Games on Upper Broadway

Albert Henderson

70244.1532@compuserve.com

Follow this and additional works at: <https://docs.lib.purdue.edu/atg>



Part of the [Library and Information Science Commons](#)

Recommended Citation

Henderson, Albert (2000) "Op-Ed-Opinions and Editorials-Shell Games on Upper Broadway," *Against the Grain*: Vol. 12: Iss. 4, Article 13.

DOI: <https://doi.org/10.7771/2380-176X.3255>

This document has been made available through Purdue e-Pubs, a service of the Purdue University Libraries. Please contact epubs@purdue.edu for additional information.

Shell Games on Upper Broadway

by **Albert Henderson** (P. O. Box 2423, Bridgeport, Connecticut 06608-0423; Ph: 203-380-0021 or 203-367-1555 (msgs.); Fax 203-380-1703) <70244.1532@compuserve.com>

Tony Ferguson throws down a brave challenge: "At my institution we take in a lot of money, we spend even more money, and we borrow money annually. If there are great centers of profit out there, please advise." (see *ATG* v.12 #1, pp. 38)

OK. I can do this because I subscribe to the *Chronicle of Higher Education*. The Internal Revenue Service requires public nonprofits to report revenue and expenditure on their form I-990, figures that are public information. Here is the latest for **Columbia University**, covering the fiscal year ending in 1998:

Revenue \$1,900 million
Expenditure 1,400 million (including \$31 million for libraries)

Profit \$500 million

That is 26% profit after taxes. The prior year also showed \$500 million profit. These profits are not distributed to shareholders. Dividends should be mission-related. Spending another \$30 or \$40 million to make its libraries hum would make more sense than blindly adding to its hoard of commercial real estate and other investments. (Nov. 26, 1999, and Oct. 23, 1998)

Tony suggests that Columbia University is so poor that it must borrow to survive. I can understand this one because a margin call wiped out my old broker. Borrowing preserves investments that might return more than the cost of interest. University endowments averaged 13% in bull markets since 1989. They would have done better, but Coca-Cola shares dropped suddenly on the last day of the fiscal year. (Feb. 18, 2000)

University misers managing \$3,500 million who cry about borrowing at 9% and spout crap about a "rainy day" probably eat their children. They are out of control. They clearly cannot be trusted to act in the interest of library users or the academy. They always pay back their lenders only to avoid jail. In the academic version of 3-card Monte, they use past glory for credit and then cheat library users of promised excellence. We shouldn't let them get away with it.

Tony asks, "When did we cut spending?"

This is also easy because I lived with growing impoverishment since 1970. **Jacques Barzun**, president of Columbia University in the 1960s and speaking for all research universities, emphasized that 6 percent of the university's budget went to the library. (*The American University*. 2nd ed. University of Chicago Press. 1993 pp. 174, 196) About ten years later, a **National Science Foundation** study by **Bernard Fry** and **Herbert S. White** noted that the libraries' share of university spending had dropped.

The National Enquiry on Scholarly Communication recognized that this financial policy caused a crisis. (1979) It timidly avoided criticizing this trend. (See **R. Abel**, Publishing Re-

search Quarterly 15,1 1999 p. 3-19) National Science Foundation canceled its troublesome studies, but **University of Massachusetts** librarian **Richard Talbot** found Department of Education statistics that showed the trend continued. (*Bowker Annual* 1984) Then *University Libraries and Scholarly Communication* reported that Columbia University dropped library spending to 2.93 percent by 1990, a trend shared by many others. (1992 p. 33) Between 1970 and 1995 academic R&D grew 2.5 times (in constant dollars to remove the effects of inflation). Library spending by major universities grew 1.5 times. In short, schools like Columbia cut library spending by more than half while they expanded R&D and generated more books and articles than ever.

Tony talks about a teenager's humiliation by Kia. I sympathize entirely. My two sons now choose their own vehicles. Transportation that is less than smart hardly trumps the wisdom of senior faculty. Professor **James Shapiro** indicates more cuts of the Columbia libraries, writing, "I'm embarrassed to report that my own university, Columbia, with one of the largest collections in the country, ranked far lower [than **Harvard**, **Princeton**, **Dartmouth**, **Yale**, and **Chicago** — libraries that are still a pleasure to use], spending a meager 2.55 percent, or \$28 million, on its libraries (which helps explain why I have had to spend so much time at other libraries and why a survey by Columbia's library revealed that more than 90 percent of Columbia's professors no longer set foot in the main library)." He goes on, "Universities are seeing serious threats to collections that in some cases have taken 200 years or more to accumulate In the 1970s, it was possible for a scholar in the humanities to undertake serious research at any one of 60 or 70 top university libraries. A decade from now, I suspect that this number will be reduced by half, at least." (*Chronicle of Higher Education* Dec. 12, 1997. pp. B4-5.) Another example: As outgoing chair of the **University of California - Berkeley** academic senate's library committee, historian **Leon Litwack** wrote, "We have already sustained losses in faculty and graduate students directly related to the deteriorating quality of the library, and this trend will be accelerated." He summarized concerns raised by faculty, students, and staff: "The gravity of the crisis cannot be overstated." (*California Monthly*. The Magazine of the **California Alumni Association** 108,4 Feb., 1998) The hoard at **University of California** is \$4,300 million, yet libraries are impoverished. I could supply additional statistics and quotes, but I think I made my point.

Finally, referring to the litany of ills that I trace to reduced library spending, Tony asks, "Have you no shame?" Why should I? I am only sorry I didn't start studying this earlier. Universities made the library crisis. They duck responsibility for it, blaming publishers. Shame on them, the university managers who put money ahead of education and research, then make up ridiculous excuses. They should be drummed out of the academy in one of those hubris-laden ceremonies on which they like to spend funds that should go to libraries.

